



San Diego Gas & Electric Company
San Diego, California

Revised Cal. P.U.C. Sheet No. 15115-E

Canceling Original Cal. P.U.C. Sheet No. 14728-E

SCHEDULE NEM

NET ENERGY METERING

Sheet 1

APPLICABILITY

Applicable to residential, small commercial (as defined in subdivision (h) of Section 331 of the California Public Utilities Code), commercial, industrial, or agricultural customers who use a solar or wind turbine electrical generating facility, or a hybrid system of both, with a capacity of not more than 1000 kilowatts that is located on the customer's owned, leased, or rented premises, is interconnected and operates in parallel with the Utility's transmission and distribution facilities, and is intended primarily to offset part or all of the customer's own electrical requirements (hereinafter called "eligible customer-generator").

If an eligible customer-generator participates in Direct Access (DA) with an ESP that does not provide distribution service for the direct transactions, the ESP, and not the Utility is obligated to provide net energy metering to the customer.

After December 31, 2002, unless this date is changed by future legislation, the NEM rate schedule will no longer be applicable to any new eligible customer-generator with a capacity of more than 10 kilowatts. Furthermore, after December 31, 2002, this rate schedule will no longer be applicable to any new industrial or commercial eligible customer-generator that does not meet the definition of "small commercial" as defined in subdivision (h) of Section 331 of the California Public Utilities Code (or Rule 1), nor will it be applicable to any new agricultural eligible customer-generator.

TERRITORY

Within the entire territory served by the Utility.

RATES

All rates charged under this schedule will be in accordance with the eligible customer-generator's otherwise-applicable metered rate schedule. An eligible customer-generator served under this schedule is responsible for all charges from its otherwise-applicable rate schedule including monthly minimum energy and demand charges, and excluding any adjustments due to power factor provisions or rebates offered under the State of California's "20/20" program as described in the Governor of the State of California's Executive order D-30-01. Charges for electricity supplied by the Utility will be based on the net metered usage in accordance with Net Energy Metering and Billing (Special Conditions 2 and 3 below).

Customers eligible for service under this schedule are exempt from taking service under Schedule S, Standby Service.

Customers eligible for service under this schedule are exempt from departing load non-bypassable Nuclear Decommissioning and Public Purpose Programs charges as defined in Schedule E-DEPART.

Customers eligible for service under this schedule are exempt from paying Competition Transition Charges (CTC) as defined in Electric Rule 23.

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Advice Ltr. No. 1388-E

Decision No. _____

Issued by
Lee Schavrien
Vice President
Regulatory Affairs

Date Filed Feb 8, 2002

Effective Mar 20, 2002

Resolution No. _____



SCHEDULE NEM
NET ENERGY METERING

Sheet 2

SPECIAL CONDITIONS

1. **Metering Equipment:** Net energy metering shall be accomplished using a single meter capable of registering the flow of electricity in two directions. Eligible customer-generators with real-time meters can participate in net energy metering. If the existing electrical meter of an eligible customer-generator is not capable of measuring the flow of electricity in two directions, the eligible customer-generator shall be responsible for all expenses involved in purchasing and installing a meter that is able to measure electrical flow in two directions. An additional meter or meters to monitor the flow of electricity in each direction may be installed with the consent of the eligible customer-generator, at the expense of the Utility. The Utility shall determine if a second meter is necessary under this provision. The additional meter or meters may be used by the Utility to collect electric generating system performance information for research purposes. If an additional meter or meters are installed, the net energy metering calculation shall yield a result identical to that of a single meter. If a customer receives their electric commodity from an ESP that offers net energy metering the Utility may recover from the customer's ESP the incremental costs of metering and billing service related to net energy metering in an amount set by the California Public Utilities Commission.
2. **Net Energy Metering:** Net Energy Metering is defined as measuring the difference between the electricity supplied by the Utility through the electric grid to the eligible customer-generator and the electricity generated by an eligible customer-generator and fed back to the electric grid over a 12-month period.
3. **Net Energy Billing:** The annualized net energy metering calculation shall be made by measuring the difference between the electricity supplied to the eligible customer-generator and the electricity generated by the eligible customer-generator and fed back to the electric grid over a 12-month period. At the end of each 12-month period following the earlier of the effective date of this tariff, or the date of final interconnection, and at each anniversary date thereafter, the eligible customer-generator shall be billed for electricity used during that period.

The Utility shall determine if the eligible customer-generator was a net consumer or a net producer of electricity during the 12-month time period. In the event the electricity supplied by the Utility during the 12-month period exceeds the electricity generated by the eligible customer-generator during the same period, the eligible customer is a net electricity consumer and the Utility shall bill the customer for the net consumption during the 12-month period based on the eligible customer-generator's otherwise-applicable rate schedule.

The charges for all retail rate components for eligible customer-generators shall be based exclusively on the eligible customer-generator's net kWh consumption over a 12-month period, without regard to the eligible customer-generator's choice of ESP. If the eligible customer-generator switches their ESP during a 12-month period, the prior ESP shall reconcile the customer generator's consumption and production of electricity for the part of the current 12-month period. And, the new 12-month period will begin with respect to service provided by the eligible customer-generator's new ESP.

When the eligible customer-generator is a net generator over a billing period, the net kilowatt-hours generated shall be valued at the same price per kilowatt-hour as the energy service provider or an alternate energy service provider would charge.

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Advice Ltr. No. 1327-E-A

Decision No.

Issued by
William L. Reed
Vice President
Chief Regulatory Officer

Date Filed Aug 9, 2001

Effective Apr 11, 2001

Resolution No.



SCHEDULE NEM
NET ENERGY METERING

Sheet 3

SPECIAL CONDITIONS (Continued)

3. **Net Energy Billing** (Continued)

For residential and small commercial eligible customer-generators, net energy consumed during a 12-month period may be paid monthly or annually.

For all commercial, industrial and agricultural eligible customer-generators, the net balance of moneys owed must be paid in accordance with eligible customer-generator's monthly billing statement, except that if the commercial industrial or agricultural generator is a net producer of electricity over a normal billing cycle, any excess kilowatt hours generated during the billing cycle shall be carried over to the following billing period.

In the event the energy generated exceeds the energy consumed during the 12-month period, no payment will be made for the excess energy delivered to the Utility's grid. If the Utility is the customer's electric commodity provider, this condition may be modified where the customer has a signed contract to sell electricity to the Utility.

a. **Baseline Rates**

For eligible customer-generators taking service under tariffs employing "baseline" and "non-baseline" rates, any net monthly consumption or production of electricity shall be calculated according to the terms of the otherwise applicable tariff.

If the customer is a net consumer over a billing period, the net kWh consumed shall be billed at the baseline rate, plus the appropriate Schedule EECC class average commodity rate charged other customers in the rate class up to the billing period's baseline allowance, with any excess kWh consumed billed at the non-baseline rate, plus the appropriate Schedule EECC class average commodity rate charged other customers in the rate class.

If the customer is a net generator over a billing period, the net kWh generated shall be valued at the baseline rate, plus the appropriate Schedule EECC class average commodity rate charged other customers in the rate class, up to the billing period's baseline allowance, with any excess kWh generated valued at the non-baseline rate, plus the appropriate Schedule EECC class average commodity rate charged other customers in the rate class.

b. **Time of Use ("TOU")**

For eligible customer-generators taking service on time-of-use (TOU) tariffs, net monthly consumption or production of electricity shall be valued according to the terms of the TOU tariff and Schedule EECC average TOU commodity rate charged other customers in the rate class. If the customer is a net generator during any discrete TOU period, the net kWh produced shall be valued at the appropriate tariff TOU rate, plus the appropriate Schedule EECC average TOU commodity rate charged other customers in the rate class. If the customer is a net consumer during any discrete TOU period, the net kWh consumed shall be billed at the appropriate tariff TOU rate, plus the appropriate Schedule EECC average TOU commodity rate charged other customers in the rate class.

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Advice Ltr. No. 1327-E-A

Decision No.

Issued by

William L. Reed

Vice President
Chief Regulatory Officer

Date Filed

Aug 9, 2001

Effective

Apr 11, 2001

Resolution No.



San Diego Gas & Electric Company
San Diego, California

Revised Cal. P.U.C. Sheet No. 15688-E

Canceling Revised Cal. P.U.C. Sheet No. 15116-E

SCHEDULE NEM

Sheet 4

NET ENERGY METERING

SPECIAL CONDITIONS (Continued)

3. Net Energy Billing (Continued)

c. ESP Charges

If the Utility is the customer's ESP, the Utility shall provide net electricity consumption information on each regular bill to every eligible customer-generator. The consumption information shall contain the current monetary balance owed to the Utility for net electricity delivered/consumed since the last 12-month period ended.

4. Interconnection: Prior to interconnection, the eligible customer-generator must execute and comply with the requirements of the Utility's Interconnection Agreement for Net Energy Metering from Residential or Small Commercial Solar or Wind Electric Generating Facilities of 10 kW or Less (Form 142-02759), or the Utility's Interconnection Agreement For Net Energy Metering Solar Or Wind Electric Generating Facilities For Other Than Residential Or Small Commercial Of 10 Kilowatts Or Less, (Form 142-02760). The eligible customer-generator shall meet all applicable safety and performance standards established by the National Electric Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories such as Underwriters Laboratories and, where applicable, rules of the Public Utilities Commission regarding safety and reliability.

5. Other Applicable Tariffs: Rules 21, 23 and Schedule E-Depart apply to customers with generators.

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Advice Ltr. No. 1440-E

Decision No. 02-09-034

Issued by
Lee Schavrien
Vice President
Regulatory Affairs

Date Filed Sep 24, 2002

Effective Oct 1, 2002

Resolution No.